

EMPLOYEE LOYALTY– A COMPARISON BETWEEN PRIVATE SECTOR AND PUBLIC SECTOR IN INDIA

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ABSTRACT

This paper aims to study the subject of employee loyalty and organizational commitment with focus on the differences between the Private Sector and Public Sector organizations in India. Taking reference of TAMS (Turnover Attachment Motive Survey) the following forces were identified Affective Forces, Alternative Forces, Behavioral Forces, Calculative Forces, Normative Forces, Moral Forces, Contracted Forces, Constituent Forces. A questionnaire where in each of these forces were considered by way of number of questions on likert scale was sent to private sector and public sector organizations. The data was analyzed using factor analysis and cluster analysis. It was found that in the areas of Affective Forces, Alternative Forces, Behavioral Forces – Tangible Cost of Living, Behavioral Forces – Behavioral Inertia, Psychological Costs, Normative Forces (Family) and Constituent Coworker - Normative there were differences between private sector and public sector employees while in other areas there were similarities in both the sectors. More comprehensive study with larger sample size (in both public sector and private sector) is needed be carried out to validate our conclusions. We have done survey this study in one public sector undertaking organization only and hence the cross section of the public sector undertakings could not be studied. The paper gives us a direction towards the identification of the forces which improve loyalty and hence strengthening these forces would enable companies to reduce attrition.

KEYWORDS: Employee Loyalty, Organizational Commitment, Private Sector, Public Sector, Affective, Normative & Continuance

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INTRODUCTION

There is a big difference between the perceptions of Generation X and Generation Y. Generation X is those employees who are in the age of 20's and Generation Y are those employees which are in the age of 40's. Unlike people of Generation Y, who are in their 40's, the new generation X is aware of their market value and hence command the executive level salaries. They also do not hesitate to make bold and frequent career moves. Due to this kind of attitude of Generation X there is a decline in employee loyalty as compared to the earlier decade. Today people taking retirement in private sector is a rare scenario. Decline in employee loyalty has resulted in companies working hard to earn loyalty by providing better opportunities for career progression and by planning for better retention strategies. Many companies like Mahindra & Mahindra, Toyota, CISCO, Indian Oil Corporation Limited, Tata Group, and Southwest Airlines etc. are gaining profits by taking care of their employees.

The word loyalty originated in the year 1400 in French as 'loialte' and replaced from Latin source as leal. In English loyal is referred to as one who is faithful in carrying out legal obligations.

The definition of *loyalty* as stated in the dictionary is the state or quality of being loyal. We need to see people as assets to the organization rather than expenditure and we should expect them to pay returns over a period of time. Human resource does not depreciate over time but actually improves with age. (Reichheld and Teal, 1996). Loyalty is also defined as sacrifice to strengthen relationship or willingness to make an investment by Frederick Reichheld (1996) in his book 'The Loyalty Effect'. Organizations need to understand the importance of employee loyalty since the success and failure of an organization also depends on loyalty. If the employee is loyal towards the organization the chances of giving his best to the organization is higher. Downsizing, rightsizing and reengineering have resulted in attrition reducing employee loyalty. Employee loyalty to the organization is sometimes viewed as an attitude (Meyer and Allen, 1991). Allport (1933), states that the attitude as implied by the word loyalty is not sufficiently understood. The conceptualization of loyalty advanced by the philosophers (Oldenquist, 1982; Pettit, 1988) acknowledges many of the dimensions found in Allport's (1933) definition, takes into account voluntary choice (of domains or communities) and morality. From the above mentioned definitions of loyalty we can conclude that conceptualization is based on morality and distinguishable from commitment.

Organizational commitment is considered as attachment to the organization. The main intention of the studies was to identify methods which will lead to an improvement in worker's feeling about their jobs and hence improve their commitment to their organizations. It includes other variables like organizational citizenship behavior, turnover and job performance. Other issues such as empowerment, work pressure, fear of losing job or getting alternate job and percolation of leadership effect the individual's attachment to his company.

Organizational commitment differs from other attitudes towards work like job satisfaction and sense of oneness with the organization (identification).

Various interpretations of the word organizational commitment have led to development of number of scales to measure the same. Meyer and Allen's Model (1991) proposed Three Component Model which comprised Affective Commitment, Normative Commitment and Continuance Commitment. This model has been criticized for not matching the findings of real time experimentation and is not suitable in domains of customer behavior.

A later Attitude-Behavior model by Alice Eagly and Shelly Chaiken (1993) indicated that Three Component Model (TCM) combines difference attitude phenomenon. It was concluded that TCM is a model for predicting turnover. The model explains why people should continue with the organization whether it is because they ought to, need to or want to. The model appears to mix together the attitude towards the target (organization) with an attitude towards a behavior which is leaving or staying. They try to segregate understanding of organizational commitment and have an attitude towards an organization and suggested that it should be measured accordingly.

From this it can be seen that the TCM can be considered as a specific subdivision of Eagly and Chaiken model. The affective commitment equals to the attitude towards the target while continuance commitment and normative commitment refer to anticipated behavioral outcomes i.e. staying or leaving.

In recent times a five component model of commitment is proposed by researchers primarily looking towards product and service consumption. Habitual and Forced Commitment were added to the existing three forces of TCM. The habitual commitment or inertial forces are relevant in several job scenarios. Workers get habituated to the routine, techniques and processes associated with jobs and hence develop a latent commitment to a job which they are familiar with.

LITERATURE REVIEW

Epic of Mahabharata (1000 B.C. to 300 B.C.) brought into focus the concept of loyalty in the form of affiliation of the character Karna to the Prince Duryodhana who accepted him as a warrior inspite of his low upbringing. Karna always supported Duryodhana in all his misadventures inspite of knowing that it will be catastrophic out of loyalty for him. (Mahabharata, book 17, ch. 3).

Josiah Royce, an American idealist philosopher in his book 'The Philosophy of Loyalty' (1908) presented a different definition of the concept. Royce wrote that loyalty is a virtue and indeed a primary virtue and the central duty of an individual. According to Royce (1908), the individual becomes allied with the community of others who are also committed to the same cause. Finally, commitment to the cause and to the community develops. This commitment is what Royce calls "loyalty."

Getchell (1975), in his study developed some definitions and measures of loyalty. He categorized loyalty into loyal, disloyal and locked-in. He concluded his study by mentioning that the management has to utilize the resource of talent by developing flexible organization structures and reward systems more attuned to the entrepreneurial spirit of disloyal employees. He mentioned that management must also develop new forms of employee-management relationships.

Employee loyalty can be defined as employees who are committed to the organization. Willingness of an employee to stay with the organization is employee loyalty (Solomon, 1992). Employee loyalty and organizational commitment are used interchangeably as there is very thin line of demarcation between the two.

Behavioral aspect of commitment was explained by Salancik (1977) in his research wherein, once in an organization the individuals forego alternative courses of action and choose to link themselves with the organization. The process by which an employee becomes locked into an organization and the way they deal with this problem relates to Behavioral commitment.

Mowday, Steers and Porter (1979) studied organizational commitment and developed an instrument to measure it which is known as organizational commitment questionnaire (OCQ) which comprised of 15 questions on 7-point likert scale. In their study they developed norms for male and female employees.

Researchers (Meyer and Allen, 1993; McGee and Ford, 1987; Mowday, Steers and Porter, 1979) have examined the relationship between commitment to the organization and many employee and organizational characteristics. Some measures of organizational commitment were also developed by Ritzer and Trice (1969) and later modified by Hrebiniak and Alutto (1972). These developed scales were tested by Meyer and Allen (1984) and found that tenure and age correlated with Ritzer and Trice Scale and Hrebiniak and Alutto Scale and with the Affective Commitment measures but not with the Continuance Commitment. Organizational Commitment was viewed from two distinct perspectives: attitudinal and behavioral. McGee and Ford (1987) reexamined some psychometric properties of the scales developed for measuring both. The affective commitment scale was unidimensional but the continuance commitment scale had two dimensions. The first dimension looked at commitment based on alternative opportunities available and the second dimension was looked at personal sacrifice of individual caused by change of organization. Griffeth et. al. (2005) developed a scale measuring job opportunities which is reflective of alternative forces.

Initial steps in measurement of loyalty were made by Meyer and Allen (1991) where they proposed Three Component Model (TCM) which comprised Affective Commitment (AC), Continuance Commitment (CC) and Normative

Commitment (NC). Meyer, Allen and Smith (1993) later extended the generalizability of this model to the domain of occupational commitment. They developed the measures of AC, NC and CC to occupation. Their study revealed that TCM measures of occupational commitment were different from one another and also from organizational commitment.

Netemeyer et. al (1996) observed that work family conflict and family work conflict both have correlations with organizational commitment. They used scales to measure levels of job satisfaction, organizational commitment etc. in their study.

Mitchell et. al. (2001) in the study describes the implications for managing retention and turnover. They observed that it is not only dissatisfied people leave the jobs or extra money makes them stay back. Some individuals leave for reasons other than their job content and stay back because of their attachment to both the job and the community embeddedness.

A conceptual model is presented by Mobley et. al. (1979) which suggested that it is necessary to see the difference between attraction (what is expected out of alternative roles) and satisfaction (from the present role) and also look into non-work values and non-work results of turnover behavior as well as contractual constraints, and a potential means for combining aggregate-level research findings into an individual-level model of the turnover process.

Vroom (1964) came out with valence theory where he linked performance of individuals to the rewards and stated that the rewards should be such that it satisfies his need.

Jaros et al. (1993) based on his research work defined moral commitment as the extent to which an employee is psychologically linked to his/her organization by imbibing its values, goals and missions. Moral commitment is different from affective commitment as it involves a sense of duty, calling to work but not emotional involvement. It is also different from continuance commitment since it does not involve calculations of incentives or sunk costs.

Rousseau (1989) stated that two forms of unwritten contracts exist between the employers and the employees. Psychological contracts are employee belief in give and take obligation between the employee and the organization. Implied contracts are dependent on the interactions existing and are dependent on the level of relationship leading to mutual obligations. Researcher describes maintenance, development and violation of implied contracts and psychological contracts along with the organization's duties.

Becker, 1992 foci of commitment whether it is towards the groups and individuals to which an employee is attached, and the reasons for commitment stressing on the motives for attachment. They also found that commitment to top management, work group and supervisor were very important determinants of intent to quit and job satisfaction. In the study conducted by Clugston et. al. (2000), they tested whether specific measures of masculinity, power distance, uncertainty avoidance and collectivism are correlated to an employee's level of commitment. Reicherds (1986) suggested that over the time commitments may develop and hence a longitudinal study should be conducted.

While studying loyalty as a subject various authors have done surveys and come to conclusions in a number of ways as to the applicability of the term, the process of enhancing loyalty and also found benefits to the organizations wherein the employees were loyal. According to Rider (1998) it was concluded that loyalty, trust and cooperation highly sought characteristics. Although trust and loyalty play a good role in enhancing the profitability it is not necessary that it should be imposed by a regulation. Any such enforcement would act negatively and tend to negate the reliance on loyalty and trust. Spalding (2007) conducted a study on similar issue and found that loyalty enforced upon employees in general

does not work as effectively as an inherent trait connecting employees and employers.

Miguel and Cunha (2002) in the case of ITES firm where the workers are knowledge workers examined how the interaction between leadership, culture and structure is used tacitly to further control and loyalty. A high profile culture, a non-interfering leadership and flexible structure created a healthy environment for development of loyalty.

Reichheld, F. (1996) suggested that to improve employee loyalty we have to make employees feel that they are a very relevant part of the organization. Many of the employees (45%) felt their organization does not treat them well. Listening to employees more often by two-way interaction is the best way for the employees to feel that they are being heard and this leads to a feeling that they are being appreciated for their inputs and are likely to become more loyal to the company.

Kyle LaMalfa (2007) studied the reasons of emotional connect of employees towards the organization. Such employees are loyal as they feel they are productive and engaged and feel appreciated and validated.

Brian P. Niehoff, Robert H. Moorman, Gerald Blakely, Jack Fuller (2001) studied the effect of downsizing on loyalty and suggested means of maintaining loyalty of those who were being retained. Job enrichment and empowerment allow the survivors to reduce the stress of downsizing. They found that empowerment in itself does not impact loyalty but it indirectly helps it through enrichment.

Chen et al. (2002) studied the relationship between loyalty to supervisor and employees extra-role and in-role performance in China. Two studies were conducted. In first, five-dimension loyalty to supervisor scale was developed and validated and in the next, the impact on organizational commitment and employee performance as related to loyalty to supervisor was studied. It was found that loyalty to supervisor was strongly associated with performance as against organizational commitment.

Organizational Commitment is taken as inverse of attrition intent. Turnover attachment motive survey (Maertz and Boyar, 2012) identifying the predictors of turnover (Table 1) and consists of 18 scale (Table 2) looking for diagnosis of the causes of turnover. As against these certain forces like behavioral inertia against looking for new job, psychological dissonance, cost of quitting, supervisor continuance attachment and co-worker continuance attachment are significant predictors of turnover behavior.

Table 1: Predictors of Turnover

Sr. No.	Forces	Description
1)	Affective Forces	Affective Organizational Commitment, overall job satisfaction (Meyer, Allen and Smith 1993 Mowday, Steer & Porter 1979)
2)	Alternative Forces	Perceived job alternates, unemployment rates, relative compensation satisfaction (McGee & Ford 1987, Griffeth, Steel Allen & Bryan 2005)
3)	Behavioral Forces	Continuance commitment (Meyer Allen and Smith, 1993 Mowday Steer & Porter 1979) Behaviorial commitment (Salancik 1977)
4)	Calculative Forces	Affective commitment, Overall job satisfaction, satisfaction with advancement/compensation, anticipated satisfaction, expected outcomes (Meyer Allen & Smith 1993, Mobley, Griffeth, Hand & Megino 1979, Mowday et. al. 1979, Vroom 1964)

5)	Normative Forces	Work-family confident, Communication embeddedness (Mitchel et. al. 2001, Netemeyer et. al. 1996)
6)	Moral Forces	Moral Commitment (Jaros et. al. 1993)
7)	Contracted Forces	Psychological contact alternative commitment (Meyer , Allen and Smith 1993, Rousseau 1989)
8)	Constituent Forces	Constituent Commitment, Foci of commitment, organizational embeddedness Coworker & Supervisor satisfaction (Becker 1992, Clugston et. al. 2000, Mitchel 2001, Reichheld 1996)

Table 2: Turnover Attachment Motive Survey (Tams) Scale

Scale	Alpha Coefficient: Poultry Plant	Alpha Coefficient: Furniture Plant
Affective	.94	.93
Contractual-Obligations	.89	.90
Contractual-Violations	.87	.89
Calculative	.95	.94
Alternative	.84	.89
Behavioral-Tangible Costs	.79	.76
Behavioral-Inertia Costs	.84	.81
Behavioral-Psychological Costs	.88	.81
Normative-Family	.81	.87
Normative-Friends	.86	.91
Moral-Attachment	.80	.80
Moral-Withdrawal	.74	.80
Supervisor-Affective	.92	.92
Supervisor-Continuance	.92	.87
Supervisor-Normative	.89	.90
Coworker-Affective	.90	.89
Coworker-Continuance	.75	.76
Coworker-Normative	.90	.89

(Source: Maertz & Boyar, 2012)

METHODOLOGY

Research Design

The study comprises of a survey amongst employees of both private sector and public sector which is done by means of a questionnaire which consisted of questions pertaining to Affective Forces, Contractual Forces, Calculative Forces, Alternative Forces, Behavioral Forces, Psychological Costs, Normative Forces, Moral Forces, Constituent – Supervisor and Constituent – Coworker. Convenience Sampling was done to select the respondents from different organizations depending upon our own contacts in the industry. Hard copies of the questionnaire were circulated amongst 160 respondents and we received 59 responses. Of these 23 belonged to private sector and 36 belonged to public sector. The data collected was entered into statistical package SPSS and statistical analysis were carried out.

RELIABILITY ANALYSIS

Reliability analysis (Table 3) for each parameter was done using Cronbach Alpha and the calculated values are given below:

Table 3: Reliability Analysis

Title	Cronbach Alpha
Affective Forces	.784
Contractual Forces – Obligations	.770
Contractual Forces – Violations	.864
Calculative Forces	.620
Alternative Forces	.659
Behavioral Forces – Tangible Cost of Living	.711
Behavioral Forces – Behavioral Inertia	.665
Psychological Costs	.594
Normative Forces – Family	.703
Normative Forces – Friends	.874
Moral Forces – Attachment	.509
Moral Forces – Withdrawal	.525
Constituent – Supervisor - Affective	.850
Constituent – Supervisor - Continuance	.809
Constituent – Supervisor - Normative	.790
Constituent – Coworker – Affective	.426
Constituent – Coworker - Continuance	.787
Constituent – Coworker - Normative	.638

The values were found to be above .6 for most of the cases except for psychological cost (.594), moral forces-attachment (.509), moral forces withdrawal (.525) and Constituent Coworker Affective (.426). Hence we conclude that the values of reliability are satisfactory and we shall proceed with the further analysis of data.

DATA ANALYSIS

We carried out one way ANOVA (Table 4) for all the parameters listed above and the findings were as follows:

Table 4

ANOVA						
		Sum of Squares	DF	Mean Square	F	Sig.
Affective Forces	Between Groups	9.802	1	9.802	4.038	.049
	Within Groups	138.367	57	2.427		
	Total	148.169	58			
Contractual Forces – Obligations	Between Groups	.025	1	.025	.005	.943
	Within Groups	276.856	57	4.857		
	Total	276.881	58			
Contractual Forces- Violations(Inverse)	Between Groups	10.730	1	10.730	1.367	.247
	Within Groups	447.440	57	7.850		
	Total	458.169	58			
Calculative Forces	Between Groups	.401	1	.401	.095	.759
	Within Groups	239.700	57	4.205		
	Total	240.102	58			
Alternative Forces	Between Groups	46.488	1	46.488	8.886	.004
	Within Groups	298.190	57	5.231		
	Total	344.678	58			
Behavioral Forces- Tangible Cost of living	Between Groups	73.353	1	73.353	11.968	.001
	Within Groups	349.359	57	6.129		
	Total	422.712	58			
Behavioral Forces- Behavioral Inertia	Between Groups	37.196	1	37.196	8.347	.005
	Within Groups	253.990	57	4.456		
	Total	291.186	58			

Psychological Costs	Between Groups	36.592	1	36.592	6.422	.014
	Within Groups	324.798	57	5.698		
	Total	361.390	58			
Normative Forces - Family (Inverse)	Between Groups	66.175	1	66.175	8.722	.005
	Within Groups	432.469	57	7.587		
	Total	498.644	58			

Table 5: Anova (Contd)

ANOVA						
	Sum of Squares	DF	Mean Square	F	Sig.	
Normative Forces Friends (Inverse)	Between Groups	3.732	1	3.732	.894	.348
	Within Groups	237.929	57	4.174		
	Total	241.661	58			
Moral Forces Attachment	Between Groups	5.303	1	5.303	1.310	.257
	Within Groups	230.798	57	4.049		
	Total	236.102	58			
Moral Forces Withdrawal	Between Groups	3.475	1	3.475	.921	.341
	Within Groups	215.034	57	3.773		
	Total	218.508	58			
Constituent Supervisor – Affective	Between Groups	.092	1	.092	.033	.857
	Within Groups	160.450	57	2.815		
	Total	160.542	58			
Constituent Supervisor – Continuance	Between Groups	.551	1	.551	.144	.705
	Within Groups	217.382	57	3.814		
	Total	217.932	58			
Constituent Supervisor – Normative	Between Groups	.693	1	.693	.195	.660
	Within Groups	202.222	57	3.548		
	Total	202.915	58			
Constituent Coworker Affective	Between Groups	3.243	1	3.243	3.022	.088
	Within Groups	61.164	57	1.073		
	Total	64.407	58			
Constituent Coworker Continuance	Between Groups	12.011	1	12.011	3.449	.068
	Within Groups	198.498	57	3.482		
	Total	210.508	58			
Constituent Coworker Normative	Between Groups	10.968	1	10.968	4.115	.047
	Within Groups	151.913	57	2.665		
	Total	162.881	58			

We tested the difference between the scores of private sector and public sector employees at 0.05 level of significance. It is observed that significant difference exist between private sector and public sector in the following parameters:

- Affective Forces – Significance level was found to be 0.049 and the average values of private sector employees were 12.6 against the average values of public sector employees at 13.44. Public sector employees are more emotionally connected with the organization than Private sector ones.
- Alternative Forces – Significance level was found to be 0.004 and the average values of private sector employees were 5.65 against the average values of public sector employees at 7.47. These values were found by inverting the scores of the question and hence the higher value can be interpreted as an inability to find better jobs within a short span of time by public sector employees. The switch from public sector to private sector is difficult and with fewer openings in the public sector domain the chances of relocation are not easy to come.
- Behavioral Forces – Tangible Cost of Living - Significance level was found to be 0.001 and the average values of

private sector employees were 8.13 against the average values of public sector employees at 10.47. Most public sector companies in India offer retirement benefits in form of pension which is not the case with private sector. Hence tangible costs of living are more for public sector employees as compared to private sector.

- Behavioral Forces – Behavioral Inertia - Significance level was found to be 0.005 and the average values of private sector employees were 9.26 against the average values of public sector employees at 10.89. This shows that behavioral inertia amongst public sector employees are higher than private sector employees as the comfort zone in public sector forces employees to stay with it and avoid any further risks involved in changing over to new organization.
- Psychological Costs - Significance level was found to be 0.014 and the average values of private sector employees were 18.91 against the average values of public sector employees at 20.52. In most public sector organizations the employees work with long term perspective with a plan to stick to the organization and avail the terminal benefits as against this, in private sector employees tend to move from one organization to another taking advantages of the additional increments in job switching.
- Normative Forces (Family) - Significance level was found to be 0.005 and the average values of private sector employees were 7.79 against the average values of public sector employees at 5.61. These values were found by inverting the scores of the question and hence the higher value indicates the fact that public sector employees are not offered many choices with respect to location and working hours and the families have to adjust to the existing alternatives.
- Constituent Coworker - Normative - Significance level was found to be 0.047 and the average values of private sector employees were 5.78 against the average values of public sector employees at 6.66. In public sector the promotions etc. are more or less time bound and there is less competitiveness amongst the employees. Hence there is more bonding between the coworkers in public sector.

Following are the parameters where there was no significant difference between private sector employees and public sector employees:

- Contractual Forces (Obligations) and Contractual Forces (Violations) – The treatment meted out by the organizations in terms of support and promises made on assignments, promotions about raises were perceived similarly by both the private sector and public sector employees.
- Calculative Forces – The perceptions regarding training, advancement and achievement goals were similar in both private sector and public sector.
- Normative (Friends) – Both private sector and public sector employees had similar opinions about their friends (outside the organization) perception about their abilities to be able to get a better job elsewhere.
- Moral Forces (Attachment) and Moral Forces (Withdrawal) – The perceptions about loyalty, frequent job shifts and staying in one organization were similar in both private sector and public sector employees.
- Constituent Supervisor (Affective), Constituent Supervisor (Continuance) and Constituent Supervisor (Normative) – There was no difference in opinion as regard to the supervisor between private sector and public sector employees.

- Constituent Coworker (Affective) and Constituent Coworker (Continuance) - There was no difference in loyalty to the workgroup and relationship built with the coworkers between private sector and public sector employees.

Thus there were both similarities and differences between public sector and private sector employees on different parameters indicating that it is not only the organizations but the differences in the nature of the individuals which can lead to the differences in perceptions. A true comparison is possible if an individual has worked in both the sectors private and public and give his opinion on both. However, this will also be influenced by other factors like age, family and location of work etc. which change on temporal basis.

CLUSTER ANALYSIS

We have done cluster analysis taking into consideration four clusters and Cluster 1 is 21 and Cluster 4 is 5, Cluster 2 is 16 and Cluster 3 is 17. Although the control variable for Cluster 2 and Cluster 3 indicates private sector but the numbers totaling 33 implies that some elements of public sector also form part of these cluster indicating that some qualities may be universal in nature. The values of Affective Forces do not indicate much variation across all clusters and also Contractual Forces - Obligations don't vary across all Clusters.

In Contractual forces- violations the average scores in Cluster 1 is 9 whereas, the average score in Cluster 4 is 5. The values in Cluster 2 and Cluster 3 are 8 and 7 respectively indicating there is variation in perception of violations even amongst public sector employees.

The Calculative Forces scores are also spread evenly across all the clusters.

The inversed scores for Alternative Forces are 8 in Cluster 1, 8 in Cluster 4, 6 in Cluster 2 and 6 in Cluster 3. However, there is difference between the values wherein the private sector shows lower values of 6 and the public sector shows the higher value of 8. This was also found in our analysis of variance (ANOVA) indicating that the alternative jobs are easily available in private sector whereas it is difficult to find alternative jobs in public sector.

Behavioral Forces – Tangible cost of living Cluster 1 and Cluster 4 of public sector employees indicate higher values of 11 and 13 respectively whereas, in private sector these values are only 8 in Cluster 2 and Cluster 3. This is primarily due to the retirement benefits entailed in public sector.

Behavioral Forces- Behavioral Inertia are slightly higher in Cluster 1 and Cluster 4 having values 12 and 11 as against values of 9 and 10 in Cluster 2 and Cluster 3 respectively.

Psychological Costs are similar in all the four clusters.

Normative Forces - Family (Inverse) shows values of 7 in Cluster 1, 8 in Cluster 2, 5 in Cluster 3 and 5 in Cluster 4 indicating that there is no major difference between private sector and public sector.

Normative Forces - Friends (Inverse) has values of 5 in Cluster 1, 5 in Cluster 2, 3 in Cluster 3 and 2 in Cluster 4. The number of persons in Cluster 4 is only 5 indicating that very few people are advised to take risk of switching jobs by their friends.

Moral Forces – Attachment shows no major variations in all the four Clusters.

In Moral Forces – Withdrawal, Cluster 4 has a small value of 5 compared to Cluster 1 having value of 9. This indicates variation in public sector employees itself wherein a large number may look at changing jobs as an interesting

proposal whereas, the minority prefer staying in one organization.

In Constituent Supervisor – Affective the scores range from 9 in Cluster 1 indicating close relationship with supervisor against 5 in Cluster 4 indicating dissatisfaction with supervisor. Cluster 2 and Cluster 3 have in between values of 7. In Constituent Supervisor – Continuance similar results were observed wherein, Cluster 1 has a value of 8, Cluster 4 has value of 5 and Cluster 2 and Cluster 3 have value of 6 each. Similar results are in Constituent Supervisor – Normative. Here Cluster 1 has value of 8, Cluster 4 has value of 7, Cluster 2 has value of 7 and Cluster 3 also has value of 7.

Constituent Coworker – Affective has no major variations but in Constituent Coworker – Continuance higher values are found in Cluster 4 indicating that people having strained relations with Supervisor tend to have pleasant relationships with Coworkers however the group is small as Cluster 4 has only 5 persons. Higher values of 8 and 6 are observed in Cluster 1 and Cluster 4 of Constituent Coworker – Normative and Cluster 2 and Cluster 3 have values of 5 and 6 respectively. This indicates that public sector employees feel obligated to their coworkers whereas; private sector employees have lesser affinity for their coworkers.

Table 6

	Cluster			
	1	2	3	4
Control variable sector	2	1	1	2
Affective Forces	14	13	12	14
Contractual Forces – Obligations	13	12	10	10
Contractual Forces- Violations(Inverse)	9	8	7	5
Calculative Forces	13	12	10	10
Alternative Forces	8	6	6	8
Behavioral Forces- Tangible Cost of living	11	8	8	13
Behavioral Forces- Behavioral Inertia	12	9	10	11
Psychological Costs	21	20	18	20
Normative Forces - Family (Inverse)	7	8	5	5
Normative Forces - Friends (Inverse)	5	5	3	2
Moral Forces – Attachment	12	11	10	12
Moral Forces – Withdrawal	9	8	7	5
Constituent Supervisor – Affective	9	7	7	5
Constituent Supervisor – Continuance	8	6	6	5
Constituent Supervisor – Normative	8	7	7	4
Constituent Coworker – Affective	9	8	8	9
Constituent Coworker – Continuance	7	6	6	8
Constituent Coworker – Normative	8	5	6	6

Table 7: Cluster Analysis

Number of Cases in each Cluster		
Cluster	1	21.000
	2	16.000
	3	17.000
	4	5.000
Valid		59.000
Missing		.000

CONCLUSIONS

Employee loyalty is a complex concept which cannot be measured easily and as such no comprehensive scale is

developed to address this issue. It may be a function of a number of variables out of which Maertz and Boyar (2012) have identified the following predictors of turnover causes - Affective Forces, Contractual Forces – Obligations, Contractual Forces – Violations, Calculative Forces, Alternative Forces, Behavioral Forces – Tangible Cost of Living, Behavioral Forces – Behavioral Inertia, Psychological Costs, Normative Forces – Family, Normative Forces – Friends, Moral Forces – Attachment, Moral Forces – Withdrawal, Constituent – Supervisor - Affective, Constituent – Supervisor - Continuance, Constituent – Supervisor - Normative, Constituent – Coworker – Affective, Constituent – Coworker - Continuance and Constituent – Coworker - Normative.

To measure each of the predictor we developed the modified version of TAMS (developed by Maertz and Boyar, 2012) which consisted of items on a five point scale. The purpose of our study was to find how the employees of public sector differ from those of private sector with respect to various predictors mentioned above. With a small sample of 59 persons 23 from private sector and 36 from public sector it was found that in the areas of Affective Forces, Alternative Forces, Behavioral Forces – Tangible Cost of Living, Behavioral Forces – Behavioral Inertia, Psychological Costs, Normative Forces (Family) and Constituent Coworker - Normative there were differences between private sector and public sector employees.

We also found that there were similarities between the private sector and public sector in the areas of Contractual Forces (Obligations), Contractual Forces (Violations), Calculative Forces, Normative Forces (Friends), Moral Forces (Attachment), Moral Forces (Withdrawal), Constituent – Supervisor (Affective), Constituent – Supervisor (Continuance), Constituent – Supervisor (Normative), Constituent – Coworker (Affective) and Constituent – Coworker (Continuance).

More comprehensive study with larger sample size (in both public sector and private sector) is needed to be carried out to validate our conclusions.

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